

Saving More Lives

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Content

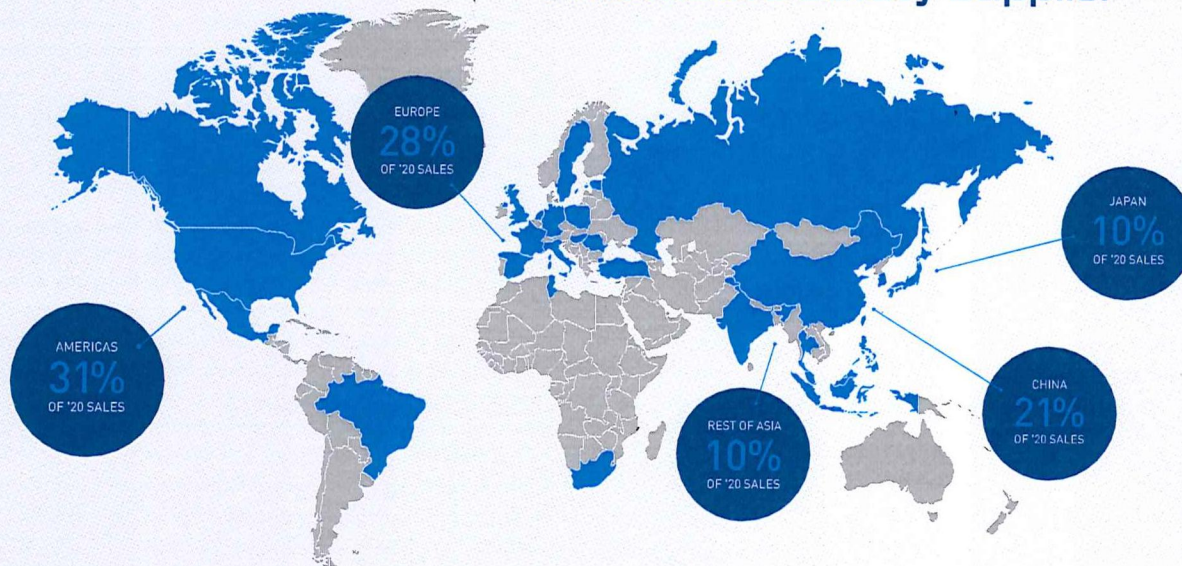
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|----------|--|
| 03 | The World's Largest Automotive Safety Supplier |
| 05 | 2020 in Summary |
| 06..... | CEO Message |
| 08..... | Our Vision, Mission and Values |
| 10 | 2020 - A Turbulent Year |
| 12 | Our Market |
| 14..... | Our Products |
| 16 | Sales and Launches |
| 18..... | Innovation |
| 22..... | Sustainability |
| 24..... | Financial Targets |
| 26..... | Strategic Plan |
| 32..... | Shareholders |
| 36..... | Board of Directors |
| 37..... | Executive Management Team |
| 38 | Contacts and Calendar |
| 39 | Multi Year Summary |

Plaintiff's Exhibit
PX 1138
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Autoliv

Autoliv Annual Report 2020

The World's Largest Automotive Safety Supplier



Autoliv is the worldwide leader in automotive safety systems, with sales to all major car manufacturers.

Saving More Lives represents the essence of what our business is about. This vision has guided our company from our first seatbelt in 1956 and drives the culture within our company. Ever since the start, we have been at the forefront of our industry, delivering a string of world-first safety innovations to customers around the world.

We develop products that save lives and prevent hundreds of thousands severe injuries. Our mission

is to provide world-class, life-saving solutions for mobility and society. We develop, manufacture and sell automotive safety systems, such as airbags, seatbelts, steering wheels and pedestrian protection systems for the vehicles of today and tomorrow. We continuously challenge ourselves to bring excellence into everything we do, providing safety for road users, consistency and quality for our customers, confidence and security for our employees, stability and growth for our shareholders, and pursuing sustainable practices while earning trust within our communities.

2020 in Summary

\$7.4 b
net sales

-12%
organic* sales growth

6.5%
adjusted* operating margin

\$849 m
in operating cash flow

>200%
cash conversion*

42%
market share

*1 Non-U.S. GAAP Measure. See "Non-U.S. GAAP Performance Measures" section in this Annual Report.

Associates >68,000 worldwide

Operations in 27 countries

Tech Center Locations 14 worldwide

Crash Test Tracks 20 worldwide

Lives Saved - 33,000

Car Brands - 100 worldwide

Headquarters Stockholm, Sweden

Incorporated Delaware, United States

Location and Capabilities

| | BRAZIL ¹¹ | CANADA | CHINA ²¹ | ESTONIA ¹¹ | FRANCE | GERMANY | HUNGARY ¹¹ | INDIA ²¹ | INDONESIA ²¹ | ITALY | JAPAN | MALAYSIA ¹¹ | MEXICO ¹¹ | NETHERLANDS | PHILIPPINES ¹¹ | POLAND ¹¹ | ROMANIA ¹¹ | RUSSIA ¹¹ | SOUTH AFRICA ¹¹ | SOUTH KOREA | SPAIN | SWEDEN | THAILAND ¹¹ | TUNISIA ¹¹ | TURKEY ¹¹ | UNITED KINGDOM | USA |
|--------------------------|----------------------|--------|---------------------|-----------------------|--------|---------|-----------------------|---------------------|-------------------------|-------|-------|------------------------|----------------------|-------------|---------------------------|----------------------|-----------------------|----------------------|----------------------------|-------------|-------|--------|------------------------|-----------------------|----------------------|----------------|-------|
| Headcount | 791 | 447 | 8,681 | 1,064 | 1,981 | 1,046 | 1,821 | 2,737 | 114 | 14 | 2,197 | | 15,712 | 7 | 1,232 | 3,0724 | 10,599 | 183 | 148 | 707 | 406 | 514 | 3,542 | 3,227 | 3,025 | 238 | 4,583 |
| Tech center | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Production | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Airbags | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Seatbelts | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Steering wheels | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other ²¹ | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sales and support office | | | | | | | | | | | | | | | | | | | | | | | | | | | |

¹¹ Defined as a benchmark country. ²¹ Includes weaving and sewing of textile cushions and seatbelt webbing, inflators, and components for airbag and seatbelt products.

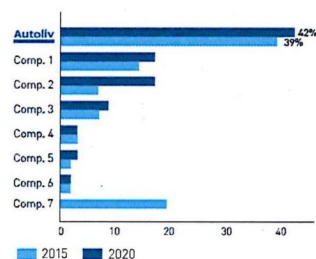
Trend of Growing Market Share and Safety Content Per Vehicle

Our strategy, business priorities and targets are deeply rooted in the growing global demand for traffic safety. 1.35 million lives are lost annually on the roads, according to the World Health Organization (WHO). Vulnerable road users – pedestrians, cyclists, and motorcyclists – make up about half of these fatalities. Road traffic accidents are a major cause of death among all age groups and the leading cause of death for children and young adults between the ages of 5 and 29. In addition, tens of millions suffer nonfatal traffic-related injuries, causing not only human suffering but also costs corresponding to about 3% of GDP in a majority of countries. This underlines the importance of our commitment to save more lives and reduce the number of injuries on our roads.

MARKET DEVELOPMENT

The automotive safety market is driven by two fundamental factors: light vehicle production (LVP) and safety content per vehicle (CPV). In the long-term, the introduction of new technologies such as autonomous driving (AD) / advanced driver-assist systems (ADAS) is expected to have a positive effect on the content per vehicle. With advanced protective systems for new flexible seating positions, safety integration in seats, human machine interface (HMI) in steering wheels and protection systems outside the vehicle for vulnerable road users, there is an increasing need for innovations in safety systems. In the medium term, content per vehicle is expected to grow mainly due to increased safety content per vehicle in growth markets, but also from higher installation rates of knee airbags, front-center airbags and more advanced steering wheels and seatbelt systems in more mature markets.

Firm Industry Leader at 42% with growing market share



Company estimates. Based on Autoliv's passive safety market definition including airbags, seatbelts, steering wheels and pedestrian safety.

2020 Market share By product area



MARKET POSITION

Our long-term focus on quality, delivery and cost in everything we do is the foundation for our long-term success. We have been involved in 2% of recalls of airbags and seatbelts in the industry since 2010, an important indicator that we are delivering on our quality strategy. In 2020, we continued to strengthen our market position as our global market share increased from 41% to 42%. Since 2017, our share of the market has increased by 4 percentage points. Our market position is strong in all product categories, with 42% in airbags, 44% in seatbelts and 37% in steering wheels. All three product categories have improved their position since 2017. Of our three largest regions, Americas and China have increased their market shares substantially since 2017, to 45% and 38% respectively, while Europe remains unchanged at 45%.

LIGHT VEHICLE PRODUCTION

LVP has increased at an average annual growth rate of 1.3% since 1997. We expect light vehicle markets to continue to grow in the medium and long-term. The majority of the growth is expected to take place in Asia.

CONTENT PER VEHICLE

A global development towards increased safety standards with stricter regulations and increasingly stringent rating frameworks is a strong driver of safety content in vehicles. Other drivers are the premium vehicle trend and the increasing focus on safety in emerging markets. By continuously researching, developing and introducing new technologies with higher value-added features, Autoliv can influence safety content per vehicle. As a result of the increasing average CPV, the automotive safe-

ty market has outgrown LVP historically and we expect that trend to continue. Since 2015, CPV has increased in all regions, and most prominently in emerging markets like India and South America.

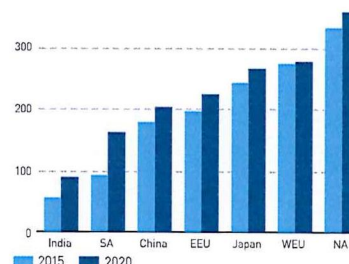
COMPETITIVE LANDSCAPE

Autoliv is the undisputed leader in automotive safety. We face a variety of competitors in a landscape that is constantly evolving. We consider our key competitors to be ZF and Joyson Safety Systems (JSS), which we regard as global, full-scope competitors. Our largest automotive safety competitor ZF is a broad-based automotive supplier. JSS, our second largest competitor, was formed through the combination of KSS and Takata. JSS is owned by the Chinese company Ningbo Joyson Electronic. In Japan, Brazil, South Korea and China, we compete with a number of local suppliers, often with close ties to domestic vehicle manufacturers. We also face competition from product specialists.

Competitive landscape



Content per vehicle US\$ per vehicle



Company estimates. Includes seatbelts, airbags, steering wheels and pedestrian safety.

Minimal recalls

Share of Airbag and Seatbelt recalls vehicles since 2010.

